

Utah! DIVISION of REAL ESTATE NEWS

*A publication for Utah's real estate,
appraisal, and mortgage professionals.*

Jon M. Huntsman, Jr., Governor • Francine A. Gian, Executive Director • Mark B. Steinagel, Division Director

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-Online License Renewal Notification-

(Licensees No Longer Able To Input "Non-Banked" CE)

Beginning July 2008, individuals renewing their mortgage or real estate licenses will no longer be allowed to add "non banked" continuing education (CE) course credits at the time they are renew their licenses online.

Since January 2006, CE providers have been required to "bank" Division approved CE course completion information with PearsonVue (the state contracted examination provider and repository for CE credit banking records) within ten business days of course completion. At the time this CE banking requirement went into effect on 1/1/06, there were a number of Division approved CE courses that had been taught throughout 2004 and 2005, that had not been (and were not required to be) banked by providers.

To enable licensees to receive credit for those approved courses that had been taught before CE banking was required (pre 2006), the Division previously allowed licensees to add course completion information at the time of online license renewal.

CE courses are approved by the Division for instruction to licensees for a two year period of time. Then, CE course providers need to renew their two year course approval (if they desire to continue to teach the course). Since providers have now been required to

bank CE credit and roster information for two and one half years, the need to allow licensees the ability to add courses taken before 2006 no longer exists. Currently, all Division approved mortgage and real estate continuing education courses are required to "bank" course completion certificate information within ten business days.

Since all approved providers are now required to bank course completion information, there is simply no reason to continue to allow licensees to individually "bank" course completion information at the time of their license renewal.

continued on page 21

In This Issue

From the Director's Desk	2
2008 Caravan	3
REPC Major Revision.	4
Instructor Developmnt Workshop	4
Staff Spotlight.	5
New Fees 2008	5
Extended Hours Extended Service	6
Sales Concessions	7
Licensing Actions & Disciplinary Sanctions	8
Appraiser Q & A	18
Experience Waivers for Principle Lending Manager	20
DRE Online Services	20
Appraiser Experience Log	22
Certify Continuing Education Courses	22
Revised Appraiser Experience Log	23

From the Director's Desk



Mark B. Steinagel

Criminal History and Your License

Over the past few months, I have spoken with many licensees who believe the Division is either too strict or too lenient in allowing individuals into our three regulated industries. A licensee recently asked me, "Why don't you prohibit anyone

who has ever committed a crime from obtaining a license?" Another licensee in the same training session expressed the opposite sentiment, "Why should the fact that I killed a trophy elk without a license restrict me from providing a living for my family with my license?"

Who is right? How much should criminal history affect someone's license?

The charge given to the division is to protect the public from unscrupulous individuals who may attempt to use a license to defraud or take unfair advantage. Criminal history can suggest such a tendency.

Criminal history does affect a person's ability to receive or maintain a license. Some ways a criminal history can affect your license are discussed below. As you read, you should be able to develop your own opinion of whether Utah has achieved the proper balance of fairness and protection of the public.

Applicant Disclosure of Criminal Background. All applicants for original or renewal licenses are required to disclose their criminal history. Real estate and mortgage license applicants who fail to disclose a criminal history that is discovered through a background check have their license automatically revoked. Some applicants complain that an old criminal offense, forgotten by the individual, shouldn't be enough to prevent licensure. Utah law only grants the Division discretion to reverse

the automatic revocation if the Division erred or if the applicant had a reasonable good faith belief at the time of application that there was no criminal history (UCA 61-2-9 and 61-2c-202). The idea is that the applicant's failure to disclose the criminal history may reflect the applicant's lack of truthfulness, honesty, and integrity which are essential in our regulated industries.

The Division and Appraisal Licensing and Certification Board have agreed to begin requiring background checks when a appraisal Trainee registers with the Division.

Severity of the Criminal Offense. An applicant must disclose any criminal history (no matter how old) to qualify for licensure, but disclosure does not guarantee licensure. If the criminal history disclosed by the applicant concerns the Division, a license can be denied or an applicant can be called to a hearing before the Appraiser Licensing and Certification Board, Real Estate Commission, or Residential Mortgage Regulatory Commission. If in the Division, Board, or Commission's perspective the history does not reflect on the applicant's moral character, there is a possibility the applicant may be licensed.

For example, it is unlawful for a real estate licensee to be convicted of a criminal offense involving moral turpitude within five years of the most recent application (UCA 61-2-11(12)). Real estate and mortgage licensees also may not have any felony conviction within five years for initial application, or during the term of the last license period for renewal of a license. Applicants for licensure or renewal also may not have a recent finding of fraud, misrepresentation or deceit (UCA R162-2-2. and R162-202-5.1). However certain serious offenses that are disclosed by the applicant and which occurred outside of this time frame may also be reviewed by the Division and Commission to determine if the applicant meets the standards for licensure criteria.

Mortgage applicants for licensure or renewal may not have a disclosed felony or class A misdemeanor conviction

involving moral turpitude for ten years preceding application to be eligible for licensure, but if the applicant can prove to the Division and Mortgage Commission that the applicant should qualify for licensure because of good moral character, honesty, competency, etc., the Division and Commission may permit licensure (UCA 61-2c-203).

Appraisal applicants from another state seeking licensing through reciprocity may not have been convicted of a criminal offense involving moral turpitude (R162-102-5.1.7). The Division and Appraisal Licensing and Certification Board have agreed to prohibit licensure to applicants with a disclosed felony within five years or certain misdemeanors within three years.

Notification of Criminal Offenses While Licensed. Real estate and mortgage licensees are required to notify the Division within ten business days of any criminal conviction (61-2-7.2 and 61-2c-205). Because the notification is based on self-reporting, some have suggested the Division should conduct periodic background checks at time of renewal. Currently the Division, Real Estate Commission, and Mortgage Commission are discussing this policy.

A criminal history can and does affect a person's ability to obtain or maintain a real estate, mortgage, or appraisal license. The Division of Real Estate takes seriously its charge to protect the public. One of the best ways to protect the public is to restrict individuals with certain criminal activities from obtaining or retaining a license. Whether the Division is too tough or too lenient will be an ongoing discussion for the Division and its Board and Commissions.



Division CARAVAN

Successfully Completed

Traveling over hill and dale the Division CARAVAN completed its trek by visiting eight locations throughout the state. From the beautiful red rock cities of St. George and Moab, to the picturesque Logan valley and Park City. From the "hot economy" of Roosevelt, the rural charm of Richfield and to the growing cities of Layton and Lindon. The Utah Division of Real Estate 2008 CARAVAN made presentations throughout the state.

Although essentially each presentation covered fundamentally the same material, due to the unique makeup and concerns of attendees each CARAVAN presentation took on its own unique character. Director Steinagel discussed recent legislation, Division licensing and complaint statistics and the overall mission and objectives of the Division. Licensing and Education Director Mark Fagergren presented information dealing with licensing and education issues and the online RELMS system. Enforcement Director Dee Johnson taught attendees about investigative and enforcement issues and concerning trends dealing with mortgage fraud.

Of particular interest were the question and answer sessions where licensees got to discuss their concerns and aspirations for the Division.

This information has been and will continue to be explored by Division staff as we work to strengthen our overall service objective to the professionals we serve.

Thank you for your attendance and comments. We look forward to meeting with you in next year's CARAVAN!

Real Estate Purchase Contract Undergoes Major Revision



For many years the current Real Estate Purchase Contract (REPC) has been a consistent “workhorse” being used throughout the real estate community to consummate countless thousands of transactions. The existing REPC has played a meaningful role through which licensed brokers, agents, buyers and sellers have negotiated

numerous successful real estate transactions. Hard working practitioners have acquired practical experience regarding some unfortunate situations that potentially could have been avoided or minimized were the language in the current REPC modified. Some licensees have had to struggle with certain provisions that are contained in the REPC that were either ambiguous, required clarification or otherwise had an undesired or unintended consequence as a result of language that was either currently included or should have been included in the existing state approved REPC.

Under the leadership the Utah Association of Realtors (UAR). A committee of dedicated industry representatives devoted countless hours and held numerous meetings, resulting in a draft proposal for a revised REPC.

The proposed REPC was presented to The Utah Division of Real Estate, the Utah Real Estate Commission and the Utah Attorney General’s office in the June Real Estate Commission meeting. Since that time industry experts, the Utah Attorney General’s office, the UAR, the Commission and the Division have been meeting regularly to address these proposed changes.

The Division posted a draft version of the proposed REPC on the Division’s website for public review and comment and the commission held a public hearing on July 16th to receive additional comments. Many comments were received and are currently being

evaluated by the groups indicated above as part of the REPC revision process.

It is anticipated that that a final version of the revised REPC will be completed this fall. We further anticipate some lag time before requiring use of the revised REPC to allow training on the contract provision changes as well as to allow licensees to use existing REPC form supplies.

The Division thanks those who have contributed so much on this REPC revision. Their efforts will truly contribute to the professionalism of the industry. The Division is confident that the modified REPC will serve the broad needs of the real estate industry as well as buyers and sellers who will be using this form.



ATTENTION INSTRUCTORS



****Instructor Development Workshop**
September 29th and 30th, 2008
at The Yarrow Hotel in Park City**

This year's two-day workshop will feature Oliver Frasona. Mr. Frasona has a B.S. from the University of Colorado in Business and Real Estate, Colorado Real Estate Brokers license, J.D. from the Univeristy of Denver College of Law. He also holds the GRI, DREI designations alnd is a Certified Professional Standards Instructor.

His experience and skills will be a great contribution to the real estate, mortgage and appraiser industry.



Staff Spotlight



Van Kagie Investigator



Van Kagie has been with the Division of Real Estate for almost five years as an Investigator. He is currently our “floor” investigator and is the public’s first point of contact for complaints. Whether you walk in, email or call, Van is the person fielding questions for appraiser, mortgage or real estate issues such as “How big does my sign need to be?”, “What do I do if my agent did not do what I asked?”, “Do I need a license if I am only referring people?” or “What do I have to disclose?”

He takes over 700 calls in a month. He literally walks around with a phone stuck to his head!

When you meet Van he is kind, laid back and quick to help when you are having a problem. His work ethic is unwavering and he does not leave it until the job is done.

During the 2008 Caravan a person in Moab asked “Are you Van Kagie?” and Director Steinagel answered. . . “no I’m not”. She said, “Is he here? I want to meet him and tell him thank you for helping me”. The woman went on to sing his praises to our Director. That is the type of comment we commonly receive at the Division regarding Van Kagie.

Recently, Van was out of the office and the other Investigators covered the phones and walk-ins for him during his absence. When Van returned, they had a new appreciation for the enduring patience exhibited by Van on a daily basis. Van screens all incoming calls and e-mails to other investigators for a more in-depth investigation if needed. In addition, Van also does continuing education audits for our licensees. He

consistently works real estate cases, as well as licensing and criminal disclosure issues. Hearing Van’s voice on the other end of the phone has a way of soothing their worries. His position in the Division is one of utmost importance to ensure good customer service. Van not only serves all licensees but he also goes above and beyond when helping members of the general public.



Fee Changes for Fiscal Year 2009 (effective 07/01/08)

Appraisal

<i>Pre-license Course Certification</i>	<i>\$70</i>
<i>Pre-license Instructor</i>	<i>\$50</i>

Real Estate

<i>Broker</i>	<i>\$48</i>
<i>Agent Renewal</i>	<i>\$42</i>
<i>New Company Application</i>	<i>\$200</i>
<i>Branch Application</i>	<i>\$200</i>
<i>Pre-license School</i>	<i>\$100</i>
<i>Pre-license Instructor</i>	<i>\$50</i>
<i>CE Instructor</i>	<i>\$50</i>
<i>Branch Schools</i>	<i>\$100</i>

Mortgage

<i>PLM and Mortgage Lender New</i>	<i>\$171</i>
<i>PLM and Mortgage Lender Renewal</i>	<i>\$66</i>
<i>Mortgage DBA</i>	<i>\$200</i>

Timeshare

<i>Salesperson New and Renewal</i>	<i>\$100</i>
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General

<i>License Histories</i>	<i>\$20</i>
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EXTENDED HOURS. EXTENDED SERVICE.

**BEGINNING MONDAY, AUG. 4, 2008
OUR OFFICE HOURS ARE CHANGING**

**EXTENDED HOURS TO BETTER SERVE YOU:
MONDAY - THURSDAY | 7 am to 6 pm**

CLOSED FRIDAYS!

Utah Department of Commerce

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GLOBAL NEEDS. LOCAL SOLUTIONS.

UTAH
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Sales Concessions

By

Craig Morley

Utah Real Estate Appraiser Licensing and Certification Board

The Uniform Standards of Professional Appraisal Practice require an appraiser to determine who the intended user is, what is the intended use and the scope of work required by the client for the specific appraisal assignment. In accepting the appraisal assignment, the appraiser should determine who the client is, what the appraisal is being used for and the extent of the analysis required by the client. Many clients have very specific appraisal requirements. The appraiser should be clear on what those appraisal requirements are before they accept the appraisal assignment and agree upon a fee for the services to be provided. Most clients use the standard definition of market value. However, multiple definitions of value exist and can be used, i.e. Market Value, Value-in-use, Investment Value, Insurable Value, Liquidation Value, etc. The definition of market value used can affect the results of the appraisal assignment.

The Standard definition of market value includes the most probable price (in terms of money) which a property should bring in a competitive and open market under all conditions requisite to a fair sale; the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: the buyer and seller are typically motivated; both parties are well informed or well advised, and acting in what they consider their best interests; a reasonable time is allowed for exposure in the open market; payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto;

and the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

In dealing with sales concession, the key issue to be analyzed is "normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."



On January 4, 2005 in Mortgagee Letter 2005-02 HUD addressed the issue of sales concessions. This letter is available on-line at the following address <http://portal.hud.gov/fha/reference/ml2005/05-2ml.doc>

While this letter is specific to sales concessions associated with appraising property for HUD, the standard is essentially the same for any federally insured transaction as it applies to dealing with sales concessions. "Appraisers are required to identify and report sales concessions and properly address and/or adjust the comparable sale transactions to account for sales concessions in the appraisal of all properties to be security for an FHA-insured loan. Sales concessions influence the price paid for real estate. Sales concessions may be in the form of loan discount points, loan origination fees, interest rate buy downs, closing cost assistance, payment of condominium fees, builder incentives, down payment assistance, monetary gifts or personal property given by the seller or any other party involved in the transaction."

The appraiser is required to determine if there are sales concessions associated with either the subject property or the comparable sales. If sales concessions are being

Licensing Actions and Disciplinary Sanctions

APPRAISER



Please note that there are 30 days after the order date for a licensee or an applicant to file a request for agency review of the order, and that there are 30 days after the issuance of an order on review for a licensee or an applicant to file a petition for judicial review. Some of the orders listed may be within those appeal periods.

HOLLIS, RANDY Y., State Licensed Appraiser, Roy, UT. Agreed to pay an \$8,000.00 civil penalty, take and successfully pass a Cost Approach Class (which he will not receive credit for continuing education), and purchase the book "The Appraisal of Real Estate", 12th Edition or newer and provide proof of purchase in a May 20, 2008 Order. Mr. Hollis violated USPAP in six different appraisals in which his appraisal of subject properties was high and not based on proper methods. In two of his appraisals, the Cost Approach figures used in the report did not represent the same figures taken from the Marshall & Swift handbook and he failed to provide any documentation in his file to support those figures. Mr. Hollis failed to analyze all agreements of sale options, or listings of the subject property; failed to clearly and accurately set forth the appraisal in a manner that would not be misleading; failed to report the sale of the subject property despite being aware of the sale; appraising a subject as a refinance when the owner had purchased the property two days previously; and failing to use comparable properties that were superior to the subject property in location and quality. Case # AP23679, AP28714, AP29166, AP29393, AP30726.

JORGENSEN, GENE C., State Certified Residential Appraiser, South Jordan, UT. Agreed to pay a \$1,000.00 civil penalty in an April 23, 2008 Order for accepting a fee to complete two appraisals and only performing one. Case # AP35785.

MARSHALL, JOSEPH, State Certified Residential Appraiser, Chesterfield, MO. Agreed to pay a \$2,000.00 civil penalty and not act in a supervisory appraiser capacity until such time he maintains full, year round, and permanent residency with the state of Utah in an March 26, 2008 Order. Mr. Marshall violated USPAP in which he failed to accurately describe or correctly adjust for the differences of basement areas of the comparables. Case # AP33730.

PROVOLT, RICHARD W., State Licensed Appraiser, Salt Lake City, UT. Agreed to pay a \$5,000.00 civil penalty in a April 23, 2008 Order for violating USPAP by failing to report both owners of record on the subject property and failing to properly analyze previous sales. Case # AP38913.

ROSQVIST, AARON B., State Licensed Appraiser, Salt Lake City, UT. Agreed to pay a \$2,000.00 civil penalty and successfully complete two non continuing education classes in Basic Valuation Procedures and Basic Cost Approach Principals in a March 26, 2008 Order. Mr. Rosqvist violated USPAP by failing to inspect the interior of the subject property, analyze the physical location of the subject property, verify each selected comparable, and adjust for the effect of any sales concessions. Case # AP29047.

VAN BRAKEL, ERIC A., State Licensed Appraiser Applicant, American Fork, UT. Agreed to pay a \$25,000.00 civil penalty and revocation of appraiser trainee registration in an April 17, 2008 Order. On December 12, 2007, Mr. Van Brakel's application to become a State-Licensed Appraiser was denied. The applicant petitioned the Board for an experience re-examination in a letter dated January 2, 2008. A hearing was held by the Appraiser

Board on March 26, 2008. It was determined that the applicant was deficient in education hours, violated multiple USPAP violations, submitted erroneous appraisal reports, and was involved in forgery. Mr. Van Brakel is prohibited from applying for an appraiser trainee registration for five years or until his civil penalty is paid, whichever is later. The Board further ordered that any future application for appraiser trainee from the applicant will be reviewed by the Board.

WHETTON, CAROLYN S., State Certified Residential Appraiser, Ogden, UT. Agreed to pay a \$2,500.00 civil penalty in a March 26, 2008 Order. Ms. Whetton acted in a reviewer capacity and admits to violating USPAP Standard Three that requires appraiser acting as a reviewer and performing an appraisal review assignment to develop and report a credible opinion as to the quality of another's appraisers work. Ms. Whetton failed to review the correct subject property. Case # AP38358.

MORTGAGE



Please note that there are 30 days after the order date for a licensee or an applicant to file a request for agency review of the order, and that there are 30 days after the issuance of an order on review for a licensee or an applicant to file a petition for judicial review. Some of the orders listed may be within those appeal periods.

ACOSTA, EDUARDO, Mortgage Lending Officer, West Valley City, UT. Agreed to pay a \$2,500.00 civil penalty and the revocation of his license for a two year period in a March 5, 2008 Order. Mr. Acosta made a false statement or representation caused false documents to be generated, or knowingly permitted false information to be submitted when he submitted a fraudulent verification of employment to a lender. If he applies for a new license after two years, a hearing

will be held to determine whether Mr. Acosta's license should be granted or denied. Case # MG37783.

AYERS, MICHAEL, Mortgage Lending Officer Applicant, Salt Lake City, UT. Application for mortgage lending officer is granted, but the license is immediately suspended for one month and placed on probation the remaining term of his license in a April 15, 2008 Order. Mr. Ayers failed to disclose several past criminal convictions.

BARBER, BEN, Mortgage Lending Officer Applicant, Draper, UT. Application for mortgage lending officer is granted, but the license is immediately suspended for one month and placed on probation the remaining period of his license in a March 31, 2008 Order on Appeal. Mr. Barber failed to disclose a past criminal mischief conviction.

BOSS, ADAM, Mortgage Lending Officer Applicant, Salt Lake City, UT. Application for mortgage lending officer granted, but placed on probation for the initial licensing period in a March 31, 2008 Order, due to several past convictions.

BOSS, ANDREW, Mortgage Lending Officer Applicant, Salt Lake City, UT. Application for mortgage lending officer granted, but placed on probation for the initial licensing period in a March 17, 2008 Order, due to two past convictions. He must notify any principal lending manager of his probationary status.

BURKHALTER, ERIC, Mortgage Lending Officer Applicant, San Diego, CA. Application for mortgage lending officer granted, but placed on probation for the initial licensing period in a May 27, 2008 Order, due to several past criminal convictions.

DAY, KEVIN T., Principal Lending Manager Applicant, Clearfield, UT. Application for principal lending manager denied and license revocation was upheld in an April 8, 2008 Order on Appeal. Mr. Day failed to properly disclose all of his criminal convictions in his November 28,

2006 application. He may reapply for his license in one year, at which time this issue will be readdressed. Case # MGFP 08-187.

DEHART, DUSTIN, Mortgage Lending Officer Applicant, Henderson, NV. Application for mortgage lending officer denied and license revocation is upheld in an April 14, 2008 Order on Appeal. Mr. Dehart failed to disclose a past criminal conviction to the Division. He may reapply for his license in one year, at which time this issue will be readdressed.

FINAN, PHILIP, Principal Lending Manager, Salt Lake City, UT. Agreed to pay a \$5,000.00 civil penalty and the revocation of his principal lending manager license for a two year period in a May 7, 2008 Order. Mr. Finan admits to sending invoices on at least four occasions to clients that had not qualified or cancelled mortgage loans up to six months after they had initially applied for a mortgage with his company, when in fact they had not agreed to this. He also ordered several credit reports without borrower authorization after loans were cancelled by borrowers. Mr. Finan had at least three files in his office that were signed by potential borrowers but were in fact blank applications and disclosures. This allowed him to fill in dollar amounts on applications and disclosures after the borrower had signed blank documents. Mr. Finan may reapply for his license after the two year period, at which time a hearing may be held by the Commission. Case # MG38625.

GATES, BARRY, Principal Lending Manager, Murray, UT. Agreed to pay a \$5,000.00 civil penalty and the revocation of his principal lending manager license for a two year period, and was issued a mortgage lending agent license in a April 2, 2008 Order. Mr. Gates admits to closing two loans for the same people on the same day, a violation of prohibited conduct Utah Code 61-2c-301. Both transactions had the box checked that this would be the borrower's primary residence, when neither of the properties were intended for this use. Case # MG38416.

GIRALDO, ELENA, Mortgage Lending Officer, South Jordan, UT. Agreed to pay a \$2,500.00 civil penalty in a May 7, 2008 Order. Ms. Giraldo admits to submitting at least three loans to an investor using fake income verifications. She may reapply for her license in two years, at which time a hearing may be held by the Commission. Case # MG39254.

GLOSHEN, RYAN, Mortgage Lending Officer Applicant, South Jordan, UT. A default judgment is entered against Mr. Gloschen in a March 17, 2008 Order, for failing to appear at the March 5, 2008 appeal hearing. The Division's original decision to deny him a mortgage lending agent license remains in effect.

GUYMON, JASON, Mortgage Lending Officer Renewal Applicant, West Jordan, UT. Application for mortgage lending officer renewal license is granted but placed on probation for the initial term of the license in a May 27, 2008 Order, due to entering a plea to a simple assault charge.

HADLOCK, SEAN, Mortgage Lending Officer Applicant, Lindon, UT. Application for mortgage lending officer denied in a May 15, 2008 Order, due to a previous Stipulation and Order with the Division including his decision to repeatedly fabricate subordination agreements while working as a branch manager of a mortgage company, and a disorderly conduct conviction. Mr. Hadlock must wait a minimum of four years to reapply for his license.

HARDY, AARON, Principal Lending Manager Renewal Applicant, South Jordan, UT. Application for principal lending manager renewal granted but placed on probation the entire renewal licensing period in a May 29, 2008 Order, due to an alcohol-related driving offense.

HATCH, KELLY, Principal Lending Manager, Pleasant Grove, UT. Agreed to pay a \$50,000.00 civil penalty and the revocation of his license in an April 2, 2008 Order. Mr. Hatch failed to properly supervise at least three agents which lead to at least two mortgage loans being

done by a mortgage lending officer whose license had expired; an unlicensed mortgage lending officer who originated at least ten loans, some of which contained false statements and documents; and a mortgage lending officer who originated at least one loan with multiple instances of false information. Mr. Hatch was issued a mortgage lending officer license and may not apply for his principal lending manager license for a period of five years. Case # MG35863.

HONEYWELL, STEVEN, Principal Lending Manager Renewal Applicant, Park City, UT. Application for principal lending manager renewal license granted in a May 29, 2008 Order. His license was placed on probation for the entire renewal licensing period because of an alcohol-related conviction.

INWEST TITLE SERVICES, INC., Continuing Education Provider, Ogden, UT. Agreed to pay a \$3,000.00 civil penalty in a March 19, 2008 Order, because they failed to get Division approval for two continuing education classes before teaching them on two occasions. Case # MG38724.

KARTCHNER, CHAD L., Principal Lending Manager, Draper, UT. Agreed to pay a \$10,000.00 civil penalty and the revocation of his principal lending manager license in a May 7, 2008 Order. Mr. Kartchner allowed two employees to originate loans without mortgage licenses. One employee's license had been expired for one and a half years, and had originated at least sixteen loans during that time. The other employee was a loan processor and had acted as a loan officer on at least two loans, one of which closed and funded. On the loan that the loan processor closed and funded, a fraudulent Lease Agreement was created, false information was checked on the marital status for the borrower and co-borrower, and the signatures on the Lease Agreement were confirmed to be forged. In another loan file, a copy of Verification of Employment had been whited-out to cover the income information and employer remarks. There was also another loan originated for one of the same borrowers in which the income was increased in order for

the primary borrower to qualify without the other co-borrower used in the previous application. Mr. Kartchner, agreed that after his two year revocation is complete and with the Mortgage Commissions license re-application approval, he may apply for a mortgage lending officer license. Mr. Kartchner isn't able to reapply for a principal lending manager for at least three years. He will also close down the mortgage company Summit Financial Solutions, LLC. Case # 39195.

KOSKAN, KEITH, Principal Lending Manager Renewal Applicant, Smithfield, UT. Application for principal lending manager renewal license granted in a May 27, 2008 Order. His license was placed on probation the entire renewal licensing period, due to two criminal convictions.

KREBS, RICK, Mortgage Lending Officer Renewal Applicant, Salt Lake City, UT. Application for mortgage lending officer renewal license granted but placed on probation the entire renewal licensing period in a May 27, 2008 Order, due to a recent hunting conviction.

LITTLE, CHRISTOPHER, Principal Lending Manager Renewal Applicant, Salt Lake City, UT. Application for principal lending manager renewal license granted but placed on probation the entire renewal licensing period in a May 29, 2008 Order, due to an alcohol-related conviction.

MADSEN, MARK, Mortgage Lending Officer Applicant, Salt Lake City, UT. Application for mortgage lending agent license granted but placed on probation the entire initial licensing period in a May 15, 2008 Order, due to disbarment and several criminal convictions. Mr. Madsen must notify each principal lending manager he associates with of his licensing status.

MARINER, LAWRENCE, Mortgage Lending Officer Renewal/Reactivation Applicant, Lehi, UT. Application for mortgage lending officer renewal/reactivation license granted but placed on probation the entire renewal/reactivation term in a May 21, 2008 Order. Mr. Mariner is re-

quired to provide a copy of this order to any principal lending manager or supervisor he works with, due to a past criminal conviction and failure to comply with the court.

MARROTT, MEGAN, Mortgage Lending Officer Renewal Applicant, Murray, UT. Application of mortgage lending officer renewal application granted but placed on probation the entire renewal licensing period in a May 27, 2008 Order, due to an alcohol-related conviction.

MENDEZ, VIRGINIA, Mortgage Lending Officer Applicant, Taylorsville, UT. Application for mortgage lending officer granted but placed on probation the initial licensing period in a April 14, 2008 Order, for failing to disclose a past criminal conviction.

NAY, RYAN, Mortgage Lending Officer Applicant, Vernal, UT. Application for mortgage lending agent license denied and license revocation is upheld in an April 15, 2008 Order on Appeal. Mr. Nay failed to disclose a past criminal conviction to the Division. He may reapply for his license in six months.

ORELLANA, GUSTAVO A., Mortgage Lending Officer, Orem, UT. Agreed to pay a \$2,500.00 civil penalty and the revocation of his mortgage lender license for a two year period in a March 5, 2008 Order. Mr. Orellana created a letter that purported to be from an employer, verifying that a borrower had been accepted for employment, and caused the letter to be submitted with the borrower's loan package. That particular employer had not extended an offer of employment to the borrower. He may reapply for his license in two years, at which time a hearing will be held to determine if his license should be granted to denied. Case # 30598.

PHILLIPS, JOHNATHAN, Mortgage Lending Officer Applicant, Salt Lake City, UT. Conditional license issued on November 30, 2006, was revoked for failing to disclose a past criminal history. In a March 31, 2008 Order on Appeal, the Division reversed its decision

based on the conviction being an infraction and not a felony or misdemeanor. Mr. Phillips application is granted.

PLANK, MARC, Principal Lending Manager Applicant, Peel, AR. Conditional license issued on December 31, 2007, was revoked for failing to disclose a past criminal conviction. In a April 14, 2008 Order on Appeal, the Division reversed its decision based on Mr. Plank's reasonable good faith belief that there was no criminal history to reveal. His application is granted.

RICHE, MARTIN, Mortgage Lending Officer Applicant, Ogden, UT. Application for mortgage lending officer granted but immediately suspended for 30 days and then placed on probation the entire first licensing term in a May 29, 2008 Order. The Division was concerned about the length and recency of Mr. Riche's criminal record and the fact that he failed to appear for a court-ordered hearing.

RICKFORD, BLAINE, Principal Lending Manager, South Jordan, UT. Agreed to pay a \$2,500.00 civil penalty in a March 6, 2008 Order, for accepting a payment for a referral fee for a loan that he was unable to complete in violation of Utah Code 61-2c-301(1). Case # MG376595.

RIP, DANIEL, Principal Lending Manager, Salt Lake City, UT. Agreed to pay \$2,500.00 civil penalty in a May 7, 2008 Order, for acting as a seller's agent while also acting as a loan officer in violation of Utah Code R61-2c-301(1)(i)(iii). Case # MG38198.

RITTER, RACHEAL, Mortgage Lending Officer Applicant, West Jordan, UT. Application for mortgage lending officer was denied in a December 20, 2007 Order due to concerns about both the length and recency of the applicant's criminal record. Shortly afterward, Ms. Ritter requested a reconsideration of the Order on Application. The request for reconsideration was denied because of the previously mentioned reasons in an April 14, 2008 Order on Request for Reconsideration.

SCHEN, PETER, Mortgage Lending Officer Renewal

Applicant, Vernal, UT. Application for mortgage lending officer renewal license granted but placed on probation for the entire renewal period in an April 14, 2008 Order due to several criminal convictions.

SHOCKLEY, TIFFANY, Mortgage Lending Officer Applicant, Syracuse, UT. Application for mortgage lending officer license granted but suspended immediately for thirty days in a May 29, 2008 Order. Ms. Shockley's license will be placed on probation for the entire first licensing term for several driving and/or alcohol-related convictions.

SHUNN, LANCE, Mortgage Lending Officer Renewal Applicant, Lehi, UT. Application for mortgage lending officer renewal license granted but placed on probation for the entire renewal licensing period in a May 27, 2008 Order, due to a civil judgment based on fraud, misrepresentation or deceit.

SMITH, STEPHANIE, Mortgage Lending Officer Applicant, Cedar City, UT. Application for mortgage lending officer denied and license revocation is upheld in an April 14, 2008 Order on Appeal. Ms. Smith failed to disclose a plea in abeyance agreement in her March 17, 2007 application. She may reapply for her license in one year, at which time this issue will be readdressed.

ST. JEOR, JOSHUA, Mortgage Lending Officer Applicant, West Jordan, UT. Application for mortgage lending officer license granted but immediately suspended for one month in a March 14, 2008 Order. Mr. St. Jeor will be placed on probation the entire licensing period for several alcohol-related convictions, court issued warrants, and his failure to respect authority.

STRINGHAM, KYLE, Mortgage Lending Officer Applicant, West Haven, UT. Application for mortgage lending officer denied and license revocation is upheld in an April 14, 2008 Order on Appeal. Mr. Stringham failed to properly disclose all of his criminal convictions in his January 27, 2007 application. He may reapply for his license in one year, at which time this

issue will be readdressed.

SUMMIT FINANCIAL SOLUTIONS, LLC, Mortgage Lending Company, Draper, UT. Agreed to the revocation of its mortgage lending license and not to sell the company to any other individual or entity in a May 7, 2008 Order. Summit Financial admits to violating Utah Code 61-2c-301 in which it allowed two employees to originate loans with mortgage licenses. One employee's license had been expired for one and a half years, and had originated at least sixteen loans during this time. The other employee was a loan processor and had acted as a loan officer on at least two loans, one of which was funded. On the loan that the loan processor closed and funded, a fraudulent Lease Agreement was created, false information was checked on the marital status for the borrower and co-borrower, and the signatures on the Lease Agreement were confirmed to be forged. In another loan file, a copy of Verification of Employment had been whited-out to cover income information and employer remarks. There was also another loan originated for one of the same borrowers in which the income was increased in order for the primary borrower to qualify without the other co-borrower used in the previous application. Case # 39196.

WEBB, RUSSELL, Principal Lending Manager Renewal Applicant, Salt Lake City, UT. Application for principal lending manager renewal license granted but placed on probation the entire renewal licensing period in a May 29, 2008 Order for entering a plea on two misdemeanor charges.

WIMBERLY, LARITA, Mortgage Lending Officer Applicant, Salt Lake City, UT. Application for mortgage lending officer granted but placed on probation the entire initial licensing period in a March 19, 2008 Order for a balance on an overpayment of unemployment insurance benefits.

WHYCOCK, KELLY, Principal Lending Manager Applicant, Bluffdale, UT. Conditional license issued on April 5, 2006 was revoked for failing to disclose a past criminal history. In an April 14, 2008 Order on Appeal,

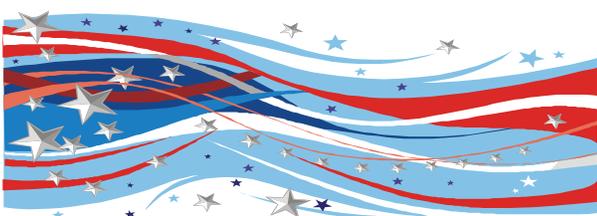
the Division reversed its decision based on the applicant's reasonable good faith belief that there was no criminal history to disclose. Mr. Whycock's application for principal lending manager is granted. Case # MGFP08-200.

MORTGAGE CLARIFICATION

CHAMPION MORTGAGE COMPANY, Draper, UT. In November, New Concept Mortgage was mentioned in a press release announcing the revocation of Champion Mortgage Company's license. New Concept Mortgage had no knowledge of Josh Brown or Champion Mortgage's fraudulent activities. Case # 36257.

The following is a list of individuals whose mortgage licenses were revoked for failure to accurately disclose their criminal background on their initial applications:

Name	Revocation Date
CHURCH, CHAD	03/25/2008
CORBETT, TYRONE	03/14/2008
DAVIDGE, LORI	03/25/2008
HARWARD, TYLER	04/11/2008
LEWIS, LISA	04/04/2008
PIRKL, MARK	03/25/2008
PLANK, MARK	03/14/2008
STRINGHAM, KYLE	03/14/2008
WARD, MATT L.	04/11/2008
WILLIAMS, ROGER	04/04/2008



REAL ESTATE



Please note that there are 30 days after the order date for a licensee or an applicant to file a request for agency review of the order, and that there are 30 days after the issuance of an order on review for a licensee or an applicant to file a petition for judicial review. Some of the orders listed may be within those appeal periods.

BARKER, JASON, Sales Agent Applicant, Provo, UT. Application for sales agent license was granted but placed on probation the entire initial licensing term due to his criminal history. The applicant appealed the decision and a hearing was held on February 13, 2008. The Division's earlier ruling to grant Mr. Barker a sales agent license but be placed on probation is affirmed in a March 14, 2008 Order.

BREINHOLT, PAUL, Sales Agent Renewal Applicant, Sandy, UT. Application for sales agent renewal license granted but placed on probation the entire licensing term in a March 14, 2008 Order, due to a recent conviction and his recent criminal charges.

BRUNELLO, LAURA, Sales Agent Applicant, Salt Lake City, UT. Application for sales agent license granted but placed on probation the entire initial licensing period in a March 3, 2008 Order, due to a drug related diversion agreement and a federal court conviction. Ms. Brunello must notify any real estate broker of her probationary status.

CARTER, BRET, Sales Agent Applicant, Orem, UT. Application for sales agent license granted but placed on probation the entire initial licensing period in a April 15, 2008 Order, due to several alcohol-related driving convictions.

CASPER, ROY, Sales Agent Renewal Applicant, Talmage, UT. Application for sales agent renewal license granted but placed on probation for the entire renewal licensing period in a May 27, 2008 Order, due to recently entering a plea to a criminal charge.

CHRISTENSEN, CARL, Sales Agent Renewal Applicant, Sandy, UT. Application for sales agent renewal license granted but placed on probation for the entire renewal licensing period in a May 29, 2008 Order, due to a plea in abeyance agreement to two criminal charges.

CRANDALL, JAMES P., Sales Agent, Orem, UT. Agreed to pay a \$2,500.00 civil penalty and successfully complete a Division-approved Trust Account course within six months in a March 19, 2008 Order. Mr. Crandall failed to secure earnest money in a transaction; a violation of Administrative Rule R162.4.2.1. Case # RE33895.

DAY, KEVIN T., Principal Broker Applicant, Clearfield, UT. Application for principal broker renewal license denied and license revocation is upheld in an April 11, 2008 Amended Order on Appeal. Mr. Day failed to properly disclose all of his criminal convictions in his January 31, 2006 application. He may re-apply for his license in one year, at which time this issue will be readdressed. Case # REFP08-143.

DISICK, RENEE, Principal Broker, Park City, UT. Agreed to pay a \$600.00 civil penalty and take three hours of core topic continuing education in a March 19, 2008 Order. At audit, it was determined that despite having taken twelve hours of qualified continuing education, she was short three hours of core topic courses, as affirmed at the time of license renewal. Case # RE37559.

DURAN, RICHARD, Sales Agent Applicant, Midvale, UT. Application for sales agent license granted but placed on probation for the entire initial licensing period in a March 14, 2008 Order, due to criminal convictions that occurred more than eighteen years ago. Mr. Duran is required to notify any broker he works for of his Utah Sex Offender Registry status.

GARCIA, RUBEN, Sales Agent, Salt Lake City, UT. Agreed to pay a \$5,000.00 civil penalty and the revocation of his sales agent license for two years in

a May 21, 2008 Order. Mr. Garcia had his wife fill out verifications of employment on several files stating that the applicants worked for a company that he and his wife owned and operated without any additional employees. If Mr. Garcia applies for a new license after two years, a hearing shall be held to determine whether the license should be granted or denied. Case #RE39528.

GROVER, THOMAS, Sales Agent Renewal Applicant, Salt Lake City, UT. Application for sales agent renewal license denied in a May 6, 2008 Order. Mr. Grover was denied due to a civil judgment against him which showed he did not meet the honesty, integrity and truthful requirements for a renewal of his license.

HANNA, MARK, Sales Agent Applicant, Phoenix, AZ. Conditional license issued on August 19, 2006 was revoked for failing to disclose a past criminal history. In a March 17, 2008 Order on Remand, the Division reversed its decision based on the fact that Mr. Hanna had a reasonable good faith belief that there was no criminal history to reveal. His application was granted.

HARR, BRUCE, Sales Agent Renewal Applicant, Orem, UT. Application for sales agent renewal license granted but placed on probation the entire renewal term in a May 29, 2008 Order, due to entering into a plea in abeyance agreement.

HULL, BRYAN, Sales Agent Applicant, Syracuse, UT. Conditional license issued on January 26, 2008 was revoked for failing to disclose a past criminal conviction. In a March 19, 2008 Order on Request for Reconsideration, the Division reversed its decision based on the fact that Mr. Hull made a good faith effort to submit all requested information in a timely fashion thereby complying with his obligation to provide full complete disclosure. The application of Mr. Hull was granted.

INWEST TITLE SERVICES, INC., Continuing Education Provider, Ogden, UT. Agreed to pay a \$3,000.00 civil penalty in a March 19, 2008 Order, because they failed to get Division approval for two continuing education classes before teaching them on two occasions. Case #MG38724.

JENNINGS, KIRK, Sales Agent Applicant, Park City, UT. Conditional license issued on October 5, 2006 was revoked for failing to properly disclose a criminal conviction and a court-ordered fine. The license revocation was upheld in a March 31, 2008 Order on Appeal.

KEYES, JOHN, Sales Agent Renewal Applicant, Salt Lake City, UT. Application for sales agent renewal license granted but placed on probation the entire licensing renewal period in a March 31, 2008 Order, due to entering pleas in two plea in abeyance agreements.

KLEDZIK, KEN, Sales Agent Applicant, Salt Lake City, UT. Application for sales agent license granted but placed on probation the entire initial licensing term in a May 29, 2008 Order, due to past criminal convictions.

KRAMER, RYAN, Sales Agent, St. George, UT. Agreed to pay a \$2,500.00 civil penalty and successfully complete the Division approved Agency I, Contract Law I, and Contract Law II courses within six months in a October 17, 2007 Stipulation and Order. Mr. Kramer admits to violating his fiduciary duty owed to the seller and acted unprofessionally by allowing his seller to enter into two contracts to sell their home. These courses will be in addition to his ordinary continuing education requirements. Case #30849

LAMONT, BART, Sales Agent Renewal Applicant, Hyrum, UT. Application for sales agent renewal license granted but placed on probation the entire licensing renewal period in an April 14, 2008 Order, for recently driving on a suspended license.

LAPP, JOHN C., Sales Agent Applicant, Hurricane, UT. Conditional license issued on January 9, 2009 was revoked for failing to disclose past criminal convictions. In a May 29, 2008 Order on Appeal, the Division reversed its decision because it was determined that Mr. Lapp had a reasonable good faith belief that he had no criminal history to disclose. Mr. Lapp's sales agent application was granted.

MAHANNAH, KEVIN, Continuing Education Instructor Applicant, Murray, UT. Application for continuing education instructor license is denied in a March 14, 2008 Order, because of a Stipulation and Order with the Utah Insurance Department.

MALAN, JEFFREY, Sales Agent Renewal Applicant, Morgan, UT. Application for sales agent renewal license granted but placed on probation the entire renewal licensing term in a May 29, 2008 Order, due to entering a plea in a plea in abeyance agreement.

MERKLEY, R. DEAN, Principal Broker, San Jose, CA. Agreed to pay a \$5000.00 civil penalty in a October 17, 2007 Stipulation and Order. Mr. Merkley admitted to signing and initialing a real estate purchase contract for the buyer but did not have specific power of attorney to do so. He also failed to obtain signed disclosures from the seller that he was receiving two commissions in the transaction. Case#31566

MILLER, REBECCA R., Sales Agent, Layton, UT. Agreed to pay a \$2,500.00 civil penalty and successfully complete the Division-approved courses in Agency I and Agency II within six months of the May 21, 2008 Order. Ms. Miller failed in her fiduciary duties to her client when she did not collect a deposit. Case # RE34978.

MONTAGUE, KATHY, Sales Agent Renewal Applicant, Draper, UT. Application for sales agent renewal license granted but placed on probation for the longer term of the court probation or the entire initial licensing period in a March 3, 2008 Order. Ms. Montague is required to notify any real estate broker of her probationary status, due to her past criminal convictions.

MOREHOUSE, RYAN, Sales Agent Applicant, Spanish Fork, UT. Application for sales agent denied and license revocation is upheld in an April 14, 2008 Order on Appeal. Mr. Morehouse failed to properly disclose a past criminal conviction in his February 2, 2008 application. He may reapply for his license in one year, at which time this issue will be readdressed.

NORDENSTROM, CHAD, Sales Agent Applicant, St. George, UT. Application for sales agent denied and revocation is upheld in a March 31, 2008 Order on Appeal. Mr. Nordenstrom failed to disclose a past criminal conviction to the Division in his June 12, 2007 application.

SPANOS, CAMERON, Sales Agent Applicant, Orem, UT. Application for sales agent denied and revocation is upheld in an April 14, 2008 Order on Appeal. Mr. Spanos failed to disclose a past criminal conviction to the Division in his October 18, 2007 application. He may reapply for his license in one year, at which time this issue will be readdressed.

SPEER, DEBRA, Sales Agent Applicant, Park City, UT. Application for sales agent denied and revocation is upheld in an April 14, 2008 Order on Appeal. Ms. Speers failed to disclose a past criminal conviction to the Division in her July 22, 2006 application. In a June 30, 2008 Order, the Division determined that the applicant did have a reasonable good faith belief that there was no criminal history. The revocation is reversed and Ms. Speer's will be reinstated.

STEINER, TIIA, Sales Agent Applicant, Sandy, UT. Application for sales agent license granted but placed on probation for the entire initial licensing period in a March 31, 2008 Order, due to a past alcohol-related driving conviction.

THOMAS, TIFFANY, Sales Agent Renewal Applicant, Salt Lake City, UT. Application for sales agent renewal license granted but placed on probation the entire renewal licensing term in a May 27, 2008 Order, because of an alcohol-related conviction and failing to comply with a court order.

THOMPSON, CURT, Sales Agent Applicant, Ogden, UT. Application for sales agent license granted but placed on probation the entire licensing period in an April 14, 2008 Order, due to an alcohol related driving conviction and driver's license revocation.

VOEKS, ROY V. III, DBA VOEKS PROPERTIES, Principal Broker & Property Management, Provo, UT. Order to Cease and Desist issued on April 3, 2008, from engaging in the business of, acting in the capacity of, or advertising or assuming to act as a real estate or property management broker or real estate or property management sales agent in this State until such time as he answers all allegations and has obtained a real estate license. Case # RE35893.

WEBSTER, MELANIE, Sales Agent Renewal Applicant, Salt Lake City, UT. Application for sales agent renewal license granted but placed on probation the entire renewal licensing period in a May 27, 2008 Order, due to a recent criminal conviction.

WHITAKER, JOHN E., Sales Agent, Bountiful, UT. Agreed to pay a \$600.00 civil penalty and take three hours of core topic continuing education in an April 16, 2008 Order, for failing to take enough core topic continuing education hours during the renewal process. Case # RE37560.

WHYTOCK, KELLY, Sales Agent Applicant, Bluffdale, UT. Application for sales agent denied and revocation upheld in an April 14, 2008 Order on Appeal. Mr. Whytock failed to disclose past convictions to the Division in his March 7, 2007 application. He may reapply for his license in one year.

WILLIS, GARY, Sales Agent Applicant, Salt Lake City, UT. Conditional license issued on January 2, 2008 was revoked for failing to disclose a past criminal conviction. In an April 8, 2008 Order on Appeal, the Division reversed its decision based on the applicant's reasonable good faith belief that there was no criminal history to be disclosed. His sales agent license was granted.



Appraiser Questions?...Questions?...

There was much discussion in preceding newsletters regarding the need for licensees to submit "Segmented Appraiser Applications" prior to the end of 2007.

Hundreds of appraisers appropriately submitted applications to the Division before the end of 2007 in order to receive credit for qualifying education in advance of completing their required experience.

Some questions have continued since the year end deadline has passed. Some of these questions and answers are expressed below:

Question: What is the status of "Trainees" who failed to submit their registration with the Division prior to the end of 2007?

Answer: Individuals who failed to submit their Trainee registration before the end of 2007 are not Trainees. By definition these individuals are unlicensed persons.

The number of qualifying education hours for Trainee registration (75 hrs) did not increase as of 1/1/08; as did the educational requirements for Licensed (90 hrs to 150 hrs), Certified Residential (120 hrs to 200 hrs), and Certified General Appraisers (180 hrs to 300 hrs). However after 12/31/07 the 75 hours of qualifying education to become a Trainee must now be AQB approved.

Unlicensed persons who failed to register with the Division as Trainees before 12/31/07 may still receive credit for AQB approved qualifying education completed within 5 years preceding the filing date of the Trainee registration.

Once the unlicensed person completes the 75 classroom hours of AQB approved education and com-

pletes the registration form including the notarized signature of a supervising Certified Appraiser, they may submit their Trainee registration.

No experience time or points towards becoming Licensed will be awarded to an applicant prior to registering with the Division as a Trainee.

Question: For individuals who were registered at Trainees prior to the end of 2007, and failed to submit a Segmented Application to become a Licensed Appraiser, how much qualifying education do they now need to become Licensed?

Answer: The qualifying education obtained to meet the seventy-five hour Trainee education requirement can be applied toward the Licensed appraiser education requirements (if the qualifying education is AQB approved). Trainees would need to submit seventy five additional hours of specific AQB approved courses since they failed to submit a segmented application in 2007. See the educational qualifications for Licensed appraisers on the Division's website at: www.realestate.utah.gov/forms/Appraiser_Courses.pdf.

Question: How many appraisal sample reports do mass appraisal applicants need to submit?

Answer: In addition to the mass appraiser experience submitted on the experience log, those applicants whose experience was earned "primarily through mass appraisal" are required to submit proof of having performed the following number (at a minimum) of appraisals that conform to USPAP Standards 1 and 2:

Licensed	Five
Certified Residential	Eight one-unit residential appraisals
Certified General	Eight Table Two (General Experience Points Schedule) appraisals

continued from page 7

Question: Can an applicant use experience points and hours earned while they were a Registered Appraiser to become either Licensed, Certified Residential or Certified General?

Answer: No. Registered Appraisers have not been licensed with the State of Utah since 5/3/01. Since credit will only be given for appraisals which were performed within the five years immediately preceding the application, Registered Appraiser experience would no longer qualify.

Question: How long is my education good?

Answer: The qualifying education to become a Trainee must have been completed within the 5 years preceding the filing of the registration. Currently there is no age limit on other state approved qualifying education; however since January 1, 2008 all qualifying education must be AQB approved. Currently all applications received by the Division must include only AQB approved education. On-line education must be both AQB and IDECC approved.

Question: Do the AQB qualifying criteria changes that went into effect on 1/1/08 effect experience as well as education?

Answer: No. Experience requirements did not change.



Sales Concessions

made, the appraiser must determine if the sales price was affected, and if so, by how much? Adjustments should be made in the analysis by the amount that the sales price was affected by the sales concessions.

Adjustments for sales concessions are to be market based. The adjustment for each comparable sale must reflect the difference between the sales price with the sales concessions and what the property would have sold for without the concessions.

Residential appraisers are likely to be faced with an increased number of transactions that involve sales concessions. Appraisers must analyze and report any sales concessions or incentives associated with the property being appraised (if a purchase or if purchased within the past three years) and with the comparable sales being used in the appraisal analysis. Real estate agents should report these incentives and concessions in the Multiple Listing Services and should disclose the information to appraisers if asked. If an appraiser uses a comparable sale where the property is selling for more than the asking price, there is a high probability that sales concessions or incentives were a part of the purchase transaction and the appraiser must determine what conditions existed that affected the increased purchase price.

Changing market conditions have resulted in a larger number of FHA loans being issued for residential properties with a larger number of appraisers applying to be on the FHA appraiser panel. Changes in FHA policy for approval have been relaxed as appraisers no longer are required to take a class and pass a test to be on the FHA fee panel. However, appraisers are still subject to the appraisal standards and must be familiar with minimum property standards required by FHA (HUD Handbook 4155). Appraisers are required to be familiar with the appraisal standards set forth by their client. Failure to do may result in violations of USPAP.



Five Year Experience Waivers Discontinued For New Principal Lending Managers

A recent legislative change has eliminated an experience waiver option for applicants to become Principal Lending Managers. Now all applicants are required to:

- 1) Submit proof of at least three years full-time active experience as a mortgage officer in the five years proceeding the day on which the application is submitted.
- 2) Complete the approved 40 hour prelicensing education;
- 3) Successfully pass both the general and state portions of the Principal Lending Manager examination.

With these changes there is now a single application and licensing process for all Principal Lending Manager applicants. This change affects Principal Lending Manager applicants after May 6, 2008. Existing PLM's are not affected by this regulatory change.



continued from page 17

Sanctions and Disciplinary

The following is a list of individuals whose real estate licenses were revoked for failure to accurately disclose their criminal background on their initial applications:

Name	Revocation Date
CHURCH, KENNETH P.	04/08/2008
DEWITT, JEFFREY	04/11/2008
DUMAS, FREDERICK	03/14/2008
JARAMILLO, CARMEN	04/11/2008
LAMBERTON, LANCE	04/02/2008
LAPP, JOHN C.	04/22/2008
LAW, ERIC	03/14/2008
MOREHOUSE, RYAN	03/13/2008
PARRISH, JEFFREY	04/09/2008
ROGERS, KATHE DEBICKERO	04/09/2008
SUNG, MARK	03/14/2008
WHYTOCK, KELLY	02/06/2008
WILLIS, GARY	03/14/2008

TIMESHARE

JOLLEY, MAX G., ST. GEORGE VACATION RENTALS, ST. GEORGE CORPORATE HOUSING, St. George, UT. Order to Cease and Desist issued on April 9, 2008, from engaging in the business of, acting in the capacity of, advertising or assuming to act as a real estate broker or a real estate sales agent in this State until such time as Mr. Jolley has obtained a real estate license. Case # RE38069.



www.realestate.utah.gov

Available Online Services:

- Renew License
- Change Address
- Change License Status
- Change Affiliation
- Manage Company Roster
- Order Duplicate License
- View CE Courses Taken
- View and Order License History



continued from page 1

-Online License Renewal Notification-

If licensees have taken an approved CE course and the course provider has failed to “bank” a licensee’s completion information, the licensee should contact the provider to inform them of their oversight. In addition any licensee can complete a CE Banking Complaint Form at: (www.realestate.utah.gov/real-estate/real_forms.html) and the Division will investigate the situation with the provider to determine their banking compliance and take disciplinary action if necessary.

Now that all providers are required to bank CE course attendance, individual licensees should be regularly and routinely checking their CE credits in their individual online Real Estate Licensing Management System (RELMS) account.

Checking your CE credit balance is an easy process. To review your CE credits go to the Division website at www.realestate.utah.gov. Click onto “Online RELMS”. Log into the system by entering your “user name” and “password.” If you find that you have taken a CE course and your account has not been properly credited, first contact the provider to inform them of the oversight. If the issue is not promptly resolved complete a CE banking complaint form and the Division will assess the situation.

Remember only courses that have been approved by the Division for CE credit will appear in your account. If you have taken a Utah course that was not approved by the Division for CE, you will not be awarded CE.

If you have taken a course outside of Utah that you believe should be considered for CE credit, you will need to complete a Non-Certified Continuing Educa-

tion Credit Request Form. This form can be located at: www.realestate.utah.gov/realestate/noncert_ce_credit_request.pdf. Remember...please allow at least 30 days for the Division to process your request for non certified CE. You will receive the form back with credit for the course(s) requested, or reasons why your request was denied.

Thank you for using the Online RELMS licensing system. By using it you help keep the costs of administering your licensing to a minimum.



Utah! **DIVISION of REAL ESTATE**
NEWS

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Revised Appraiser Experience Log

Last month the Appraisal Subcommittee (ASC) notified states (including Utah) that experience logs included as part of licensing applications are now required to contain additional information that previously had not been required. Greater emphasis is now being required to detail:

- 1) The work performed by the Trainee or applicant;
- 2) The scope of the review performed by the supervising appraiser; and
- 3) The level of supervision performed by the supervising appraiser.

The Appraisal Qualifications Board (AQB), ASC and the Division recognize that assignments differ significantly; therefore the level of review and supervision by the supervising appraiser may also differ from assignment to assignment. Also, depending on the assignments involved, it might be expected that the supervising appraiser's level of review and supervision diminish over time as the Trainee/applicant gains competency.

In response to this federal request, the Division has prepared a new appraiser experience log to track work experience for licensing. This new log is required for work completed on or after 6/6/08. Any work performed on or after that date must be recorded on this new log. Experience acquired before 6/6/08 may still be submitted on the "old" Utah Appraiser Experience Log. Trainees do not have to go back and change any previously logged work experience. It is very likely that appraiser applications will include a combination of work performed on the "old" experience log form, and work performed since 6/6/08 on the new form.

The newly revised Utah Appraiser Experience Log is contained on the following page.
This form may also be found on http://www.realestate.utah.gov/experience_log.xls.



How Do I Certify A Continuing Education Course?

To certify a Mortgage Continuing Education Course and/or
Real Estate Continuing Education Course an individual must:

Read and be familiar with Mortgage Administrative Rule R162-208 and/or
Real Estate Administrative Rule R162-9 regarding continuing education.

Submit to the Division:

Completed and signed Continuing Education Course Application.

This form may be found on http://www.realestate.utah.gov/forms/ce_course_app.pdf
\$70 non-refundable fee.

Note: Applications must be submitted at least 30 days prior to the date of the first class.





Utah Appraiser Experience Log

Name: _____ Date: _____
 Signature: _____
 Certification, License or Trainee Number: _____
 Sub-totals this page: Hours _____ Points _____

Applicants must enter both points and hours, subject to maximums permitted in Board rules.

File #	Report Date	Subject Address	Client	Type of Property	Report Form #	Hrs	Pts	1. Highest & Best Use Analysis	2. Neighborhood Description & Analysis	3. Inspection of Subject Property & Comparables	4. Land Value Estimate	5. Sales Comparison Analysis	6. Cost Analysis	7. Income Analysis	8. Final Reconciliation of Value	9. Report Preparation	10. Other	
		Address City, State						T										
		Address City, State						S										
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Type of Property: 1) Single Family, 2) Condo, 3) 2-4 Unit, 4) Commercial, 5) Industrial, 6) Agricultural, 7) Land, 8) Other
Trainees only must follow the directions below. Licensed or Certified Residential Appraisers do not need to complete columns 1 thru 10 (unless being supervised).

1) Indicate to which portions of the assignment they contributed by putting an "x" in Columns 1 thru 10. (Trainee "T" row)
 2) Prepare a separate log for each month and each Supervisor. **Dates must be listed in chronological order.**
 3) For each portion of each assignment, Supervisors must indicate whether they: **P** – Had Primary Responsibility **C** – Co-appraised **R** – Reviewed and Approved. (Supervisor "S" row)
 4) **Supervisor Name (Print)** _____ **Supervisor's Lic/Cert No.** _____
Supervisor Name (Sign) _____ **Date Signed** _____

**Department of Commerce
Division of Real Estate
PO Box 146711
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